

BROITMAN DECLARATION EXHIBIT 1



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September 2, 2004

VIA FACSIMILE

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Aerotel U.S. Patent No. 4,706,275

Dear Mr. Sutcliffe:

As you requested, we have prepared claim charts directed to BellSouth's prepaid calling cards as compared with Aerotel's '275 patent. This confidential information is being provided for discussion purposes only and is subject to the Rule 408, Fed. R. Evid. agreement of the parties. We use the BellSouth Virtual Prepaid Phone Card as representative of BellSouth's prepaid calling cards and use representative claims of the '275 patent. This is a preliminary analysis that will be supplemented upon receipt of documents and other information from BellSouth regarding its calling card products.

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Representative Claims of U.S. Patent 4,706,275	BellSouth Virtual Prepaid Phone Card
<p>1. A unique method for making telephone calls from any available telephone, said method comprising the steps of:</p>	<p>The BellSouth calling card system uses a method for allowing a calling party to make telephone calls from any available telephone.</p> <p>"Call anywhere in the U.S., Canada, Caribbean, and to more than 200 countries worldwide from any touch-tone phone in the U.S."</p> <p>(http://www.BellSouth.com)</p>
<p>(a) obtaining a special code by depositing a prepayment amount;</p>	<p>A BellSouth Virtual Prepaid Phone Card is issued to a calling party in exchange for a prepayment. The virtual card includes a special code in the form of a PIN (e.g., 367-956-2286).</p> <p>"Purchase and receive your virtual prepaid PIN and calling instructions immediately from the convenience of home or work."</p> <p>"Order online, or call the BellSouth Prepaid Card Center at 1.800.280.1964 to enjoy the simplest way to make local, long distance, and international calls."</p> <p>(http://www.BellSouth.com)</p>

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(b) storing the prepayment amount in a memory in a special exchange for use in verifying calling party calls;	<p>The prepayment amount of a BellSouth Virtual Prepaid Phone Card is stored in a computer memory at a BellSouth call center (special exchange). The amount remaining on the card is used to verify calling party calls. The amount remaining is reported each time a calling party makes a call using the card.</p> <p>"Manage Your Expenses"</p> <p>"Know what you are spending for each call."</p> <p>"Remaining card balance announced before each call."</p> <p>(http://www.BellSouth.com)</p>
(c) dialing said special exchange when a telephone call connection is desired;	<p>The BellSouth call center is dialed by a calling party when a telephone call connection is desired. The dialing instructions that accompany the purchase of a BellSouth Virtual Prepaid Phone Card state:</p> <p>"How to use your BellSouth Virtual Card 1-Dial (English): 1-800-275-4718..."</p>
(d) inputting such special code for verification;	<p>The calling party inputs the special code for verification. The dialing instructions that accompany the purchase of a BellSouth Virtual Prepaid Phone Card state:</p> <p>"How to use your BellSouth Virtual Card... 2-Enter Card Number When Prompted..."</p>

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(e) inputting the number of the called party;	<p>The calling party inputs the telephone number of the called party. The dialing instructions that accompany the purchase of BellSouth Virtual Prepaid Phone Card state:</p> <p>"How to use your BellSouth Virtual Card...</p> <p>3-To call within the U.S., to Canada or to the Caribbean, press 1, the area code and the number..."</p>
(f) verifying the special code and comparing the prepayment amount less any deduction for previous calls in the memory and the minimum cost of the inputted call;	<p>Each time a call is made by a calling party using the BellSouth Virtual Prepaid Card, the special code provided by the calling party is verified to authorize the call. In addition, the prepayment amount remaining (<i>i.e.</i>, prepayment amount less any deduction for previous calls) is checked against the minimum cost of the call.</p> <p>"Manage Your Expenses"</p> <p>"Know what you are spending for each call."</p> <p>"Remaining card balance announced before each call."</p> <p>(http://www.BellSouth.com)</p>
(g) connecting called party to the calling party in response to the verification;	<p>In response to verification, the calling party is connected to the called party.</p>
(h) monitoring the prepayment amount less deductions for the running cost of the call; and	<p>During a call made using the BellSouth Virtual Prepaid phone card, the running cost of the call is monitored against the prepayment amount less appropriate deductions. The remaining card balance is announced before each call and again after the call to reflect the amount deducted before the call.</p>

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(i) disconnecting said call when the prepayment amount has been spent.	If the prepayment amount has been spent, as determined by the monitoring of the remaining amount during a call, the call is automatically disconnected.
<p>3. The method of claim 1 including retaining the connection between the calling station and the special exchange for a set period of time after the call is terminated.</p>	<p>See claim 1 analysis.</p> <p>The connection between the calling station and the BellSouth call center is maintained for a period of time after the call is terminated such that a new call can be dialed after a call is completed by pressing the “#” key twice and then entering the new call number. The dialing instructions that accompany the purchase of BellSouth Virtual Prepaid Phone Card state:</p> <p>“How to use your BellSouth Virtual Card...</p> <p>3-To call within the U.S., to Canada or to the Caribbean, press 1, the area code and the number.</p> <p>4-Multiple calls: don't hang up; press # #, repeat step 3.”</p>
6. The method of claim 1 including	See claim 1 analysis.

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the step of disconnecting the called party station while keeping the calling party station connected to the special exchange to enable the calling party to connect to another called party.	<p>The connection between the calling station and the BellSouth call center is maintained for a period of time after the call is terminated such that a new call can be dialed after a call is completed by pressing the "#" key twice and then entering the new call number. The dialing instructions that accompany the purchase of BellSouth Virtual Prepaid Phone Card state:</p> <p>"How to use your BellSouth Virtual Card...</p> <p>3-To call within the U.S., to Canada or to the Caribbean, press 1, the area code and the number.</p> <p>4-Multiple calls: don't hang up; press # #, repeat step 3."</p>
8. The method of claim 1 including	See claim 1 analysis.
the step of preventing the use of the same special code from different calling party stations at the same time.	The same special code cannot be used from different calling party stations at the same time.
9. A telephone system for facilitating telephone calls including toll calls from any available telephone station for prepaid customers, said system comprising:	<p>The BellSouth calling card telephone system facilitates the making of toll telephone calls by a calling party from any available telephone.</p> <p>"Call anywhere in the U.S., Canada, Caribbean, and to more than 200 countries worldwide from any touch-tone phone in the U.S."</p> <p>(http://www.BellSouth.com)</p>

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<p>(a) means for coupling a calling party station to a special exchange;</p>	<p>The BellSouth telephone system couples a Virtual Prepaid calling party to a BellSouth call center. The dialing instructions that accompany the purchase of BellSouth Virtual Prepaid Phone Card state:</p> <p>"How to use your BellSouth Virtual Card</p> <p>1- Dial (English) 1-800-275-4718</p> <p>2- Enter Card Number When Prompted</p> <p>3-To call within the U.S., to Canada or to the Caribbean, press 1, the area code and the number..."</p>
<p>(b) memory means in said special exchange for storing special customer codes and credit information individual to each prepaid customer;</p>	<p>BellSouth's telephone system call center includes a memory which stores Virtual Prepaid Phone Card codes and prepayment amount balances for individual Virtual Prepaid customers. This is evident from the fact that the amount remaining is reported (in available minutes) each time a calling party makes a call using the card.</p> <p>"Manage Your Expenses"</p> <p>"Know what you are spending for each call."</p> <p>"Remaining card balance announced before each call."</p> <p>(http://www.BellSouth.com)</p> <p>The calling party can also check the prepayment amount balance at the end of a call by simply remaining on the line.</p>

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<p>(c) means for verifying said calling party responsive to a code transmitted from the calling party's station to the special exchange when one of the codes matches the code in the memory means and the calling party has unused credit and;</p>	<p>Each time a call is made using the BellSouth Virtual Prepaid Phone Card , the BellSouth telephone system verifies the calling party if the special code, provided by the calling party, from the calling party's telephone to the BellSouth call center, matches a code stored in the system's memory and if there is a sufficient balance remaining on the prepayment amount.</p> <p>"Manage Your Expenses"</p> <p>"Know what you are spending for each call."</p> <p>"Remaining card balance announced before each call."</p> <p>(http://www.BellSouth.com)</p>
<p>(d) means for completing a call from said calling party station to a called station responsive to said verification, said means for verifying including means for monitoring the credit of the calling party during a completed call.</p>	<p>The BellSouth telephone system completes a call to connect the calling party to the called party if the foregoing verification succeeds. During a completed call using the BellSouth Virtual Prepaid Phone Card , the running cost of the call is monitored against the prepayment amount less appropriate deductions.</p> <p>"Manage Your Expenses"</p> <p>"Know what you are spending for each call."</p> <p>"Remaining card balance announced before each call."</p> <p>"Great rates! Only 10¢ per minute!"</p> <p>(http://www.BellSouth.com)</p>
<p>12. The system of claim 11 wherein</p>	<p>See claim 9 analysis; with respect to the additional limitations of claims 10 and 11, further information is necessary.</p>

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<p>said means for monitoring includes means for continuously monitoring the credit of the calling party during a completed call.</p>	<p>During a call made using the BellSouth Virtual Prepaid Phone Card, the running cost of the call is monitored against the prepayment amount less appropriate deductions. After completion of the call, the calling party can hear the remaining balance in minutes after deduction for the cost of the call by remaining on the line.</p>
<p>15. The system of claim 11 wherein</p>	<p>See claim 9 analysis; with respect to the additional limitations of claims 10 and 11, further information is necessary.</p>
<p>timing means are provided for retaining the coupling between said calling party station and said special exchange for a certain time period after the called party station goes off hook.</p>	<p>The connection between the calling station and the BellSouth call center is maintained for a period of time after the call is terminated such that a new call can be dialed after a call is completed by pressing the "*" key twice and then entering the new call number. The dialing instructions that accompany the purchase of BellSouth Virtual Prepaid Phone Card state:</p> <p>"How to use your BellSouth Virtual Card</p> <p>1- Dial (English) 1-800-275-4718</p> <p>2- Enter Card Number When Prompted</p> <p>3-To call within the U.S., to Canada or to the Caribbean, press 1, the area code and the number..."</p>
<p>17. The system of claim 11 including</p>	<p>See claim 9 analysis; with respect to the additional limitations of claims 10 and 11, further information is necessary.</p>

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means for notifying the prepaid customer of the amount of credit available.	<p>The amount remaining is reported in minutes each time a calling party makes a call using the card.</p> <p>"Manage Your Expenses"</p> <p>"Know what you are spending for each call."</p> <p>"Remaining card balance announced before each call."</p> <p>(http://www.BellSouth.com)</p>
20. The system of claim 11 and	See claim 9 analysis; with respect to the additional limitations of claims 10 and 11, further information is necessary.
means for disconnecting the called party station while keeping the calling party station coupled to the special exchange to enable the calling party to dial another called station through the special exchange.	<p>The connection between the calling station and the BellSouth call center is maintained for a period of time after the call is terminated such that a new call can be dialed after a call is completed by pressing the "#" key twice and then entering the new call number. The dialing instructions that accompany the purchase of BellSouth Virtual Prepaid Phone Card state:</p> <p>"How to use your BellSouth Virtual Card</p> <p>1- Dial (English) 1-800-275-4718</p> <p>2- Enter Card Number When Prompted</p> <p>3-To call within the U.S., to Canada or to the Caribbean, press 1, the area code and the number..."</p>
22. The system of claim 11 and	See claim 9 analysis; with respect to the additional limitations of claims 10 and 11, further information is necessary.

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means for preventing use of the same special code from two different calling party stations at the same time.	The same special code cannot be used from different calling party stations at the same time.
23. A method for making telephone calls comprising:	<p>The BellSouth Virtual Prepaid calling card system uses a method for allowing a calling party to make telephone calls from any available telephone.</p> <p>"[T]he simplest way to make local, long distance, and international calls."</p> <p>"Call anywhere in the U.S., Canada, Caribbean, and to more than 200 countries worldwide from any touch-tone phone in the U.S."</p> <p>(http://www.BellSouth.com)</p>
(a) issuing a valid special code to a calling party when a prepayment amount is deposited to the credit of said calling party;	<p>A BellSouth Virtual Prepaid Phone Card is issued to a calling party in exchange for a prepayment. The amount of the prepayment is credited to the calling party. The card includes a special code in the form of a PIN (e.g., 367-956-2286).</p> <p>"Purchase and receive your virtual prepaid PIN and calling instructions immediately from the convenience of home or work."</p> <p>"Order online, or call the BellSouth Prepaid Card Center at 1800.280.1964 to enjoy the simplest way to make local, long distance, and international calls."</p> <p>(http://www.BellSouth.com)</p>

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<p>(b) storing the prepayment amount in a memory in a special exchange;</p>	<p>The amount of the prepayment of a BellSouth Virtual Prepaid Phone Card is stored in a computer memory at a BellSouth call center. This is evident from the fact that the amount remaining is reported in minutes each time a calling party makes a call using the card.</p> <p>"Manage Your Expenses"</p> <p>"Know what you are spending for each call."</p> <p>"Remaining card balance announced before each call."</p> <p>(http://www.BellSouth.com)</p> <p>The calling party can also check the prepayment amount balance at the end of a call by simply remaining on the line.</p>
<p>(c) dialing said special exchange when the calling party wishes to make a telephone call to a called party;</p>	<p>The BellSouth call center is dialed by a calling party when a telephone call connection is desired. The dialing instructions that accompany the purchase of a BellSouth Virtual Prepaid Phone Card state:</p> <p>"How to use your BellSouth Virtual Card</p> <p>1-Dial (English): 1-800-275-4718..."</p>

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<p>(d) inputting a special code and the number of the called party;</p>	<p>The calling party inputs the special code for verification. The dialing instructions that accompany the purchase of a BellSouth Virtual Prepaid Phone Card state:</p> <p>"How to use your BellSouth Virtual Card... 2-Enter Card Number When Prompted."</p> <p>The calling party also inputs the telephone number of the called party. The dialing instructions that accompany the purchase of a BellSouth Virtual Prepaid Phone Card state:</p> <p>"How to use your BellSouth Virtual Card... 3-To call within the U.S., to Canada or to the Caribbean, press 1, the area code and the number..."</p>
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<p>(e) connecting the calling party to the called party only if the special code inputted by the calling party is a valid special code, and in addition, only if the current initial prepayment amount in the memory exceeds the minimum cost of a call to the inputted number;</p>	<p>Each time a call is made by a calling party using the BellSouth Virtual Prepaid Phone Card , the call is connected to the called party (1) only if the special code provided by the calling party is verified to authorize the call, and in addition (2) only if the prepayment amount remaining (<i>i.e.</i>, prepayment amount less any deduction for previous calls) exceeds the minimum cost of the call. This is the way in which BellSouth Virtual Prepaid Phone actually works. See, in addition:</p> <p>“Manage Your Expenses”</p> <p>“Know what you are spending for each call.”</p> <p>“Remaining card balance announced before each call.”</p> <p>(http://www.BellSouth.com)</p> <p>The calling party can also check the prepayment amount balance at the end of a call by simply remaining on the line.</p>
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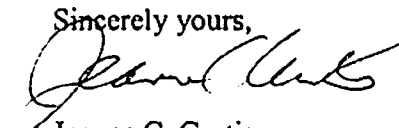
<p>(f) monitoring the running cost of the call in accordance with its duration;</p>	<p>During a call made using the BellSouth Virtual Prepaid Phone Card , the running cost of the call is monitored against the prepayment amount less appropriate deductions:</p> <p>"Manage Your Expenses"</p> <p>"Know what you are spending for each call."</p> <p>"Remaining card balance announced before each call."</p> <p>"Great rates! Only 10¢ a minute!"</p> <p>(http://www.BellSouth.com)</p> <p>The calling party can also check the prepayment amount balance at the end of a call by simply remaining on the line.</p>
<p>(g) disconnecting the calling party from the called party when the calling party hangs up, or when the running cost of the call exceeds the current initial prepayment amount, whichever occurs first; and</p>	<p>The BellSouth Virtual Prepaid system automatically disconnects a call on the occurrence of the first to occur of the following two events: (1) the prepayment amount is spent, as determined by the monitoring of the remaining amount during a call, or (2) the calling party hangs up.</p>

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<p>(h) deducting from the initial prepayment amount the running cost of the call.</p>	<p>During a call made using the BellSouth Virtual Prepaid Phone Card , the running cost of the call is monitored. The cost of the call is deducted from the prepayment balance:</p> <p>"Manage Your Expenses"</p> <p>"Know what you are spending for each call."</p> <p>"Remaining card balance announced before each call."</p> <p>"Great rates! Only 10¢ a minute!"</p> <p>(http://www.BellSouth.com)</p> <p>The calling party can also check the prepayment amount balance at the end of a call by simply remaining on the line.</p>
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Please call us once you have had the opportunity to complete your review of our analysis. We look forward to scheduling a meeting with BellSouth.

Sincerely yours,

Jeanne C. Curtis

JCC:mrc
Enclosure